

**TENNESSEE DEPARTMENT OF STATE
TENNESSEE STATE LIBRARY AND ARCHIVES
LIBRARY SERVICES AND TECHNOLOGY GRANT
FY 2006-07 DIRECT SERVICE GRANT
SERVICES FOR THE DISADVANTAGED
ADMINISTRATION REQUIREMENTS**

Allowable and Unallowable Costs

All costs necessary and reasonable for the proper and efficient administration of a grant project are allowable costs that may be proposed as budget items in an LSTA grant application. The following costs, however, are unallowable and may not be proposed as grant project costs:

- Bad Debts
- Contingencies
- Contributions and donations
- Entertainment
- Fines and penalties
- Interest and other financial costs
- Replacement of regularly paid salaries
- Fund-raising schemes
- Lobbying public officials
- Promotional items (souvenirs, t-shirts, etc.)

Transfer of Grant Monies to Libraries

Upon full execution of a contract between the library and the Tennessee Department of State, the grant award funds will be issued in the entire amount of the grant award and will be paid by check.

Travel and per diem expenses are allowable costs if the travel is associated with accomplishing the goals and objectives of the project. The state of Tennessee travel regulations and allowances are to be followed to make travel estimates. Estimated travel expenses and a list of persons who will be eligible to be reimbursed for travel expenses must be included in the grant proposal budget narrative and budget statement.

Purchase of Equipment

With the exception of library books and materials, equipment acquisitions must follow the purchasing standards required by your city or county. Equipment may be purchased using the state contract. However, if computer equipment is being purchased with grant funds, the minimum standards for the purchase of such technology must be met. These standards can be accessed through the Tennessee State Library and Archives website.

Inventory Requirements

Grantees must submit and maintain inventory records of all nonexpendable personal property, defined as items having a useful life of more than one year and an acquisition cost of \$1000 or more. Reports on such property shall be made on a form supplied by the Tennessee State Library and Archives and must be filed within 30 days of the end of the project year. Inventories of all such property may be conducted to verify the existence, current utilization, and continued need for the property. Disposition of such property shall be in accordance with the disposition requirement of the Tennessee Department of State.

Requirements for Publications and Presentations

All promotional materials, press releases, bibliographies, reports and other such publications resulting from an LSTA grant project must contain the following acknowledgement:

This (project, publication, program, etc.) is supported in whole or part by the Institute of Museum and Library Services through the Federally-funded Library Services and Technology Act, administered by the state of Tennessee.

If the grant results in copyrightable material, the grantee or any subcontractor is free to copyright the work. However, the Tennessee State Library and Archives reserves a royalty-free, exclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use the work for government purposes.

Public Accountability

If this Grant involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee agrees to display a sign at least twelve inches (12") high and eighteen inches (18") wide stating:

**NOTICE:
THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN
AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU
CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE
STATE COMPTROLLER'S TOLL FREE HOTLINE: 1-800-232-5454**

This notice shall be displayed in a prominent place, located near the passageway(s) through which the public enters in order to receive Grant supported services.

Reporting Requirements

All LSTA grantees will be required to make quarterly financial and performance reports, as well as final financial and performance reports on forms provided by the Tennessee State Library and Archives. The quarterly reports will be due 15 days following the end

of the first three quarters of the contract year. The final reports will be due 45 days after the end of the contract year. **Failure to file reports in accordance with these deadlines will be grounds for suspension of the grant contracts and can make your library ineligible to apply for future grants.**

Grantees agree to contact, by standard mail or email, at least one local legislator during the grant cycle, informing them of the grant and its progress and thanking them for continued support of federally funded library programs. A copy of this correspondence should be included with the final report.

Budget Revisions and Programmatic Changes

Grantees must not deviate from the approved budget and approved plan for carrying out the grant project as contained in the approved grant application unless **prior** approval is obtained from the Tennessee State Library and Archives. **Specifically, grantees must request a budget revision when transfers between budget categories in the approved grant exceed \$100.** Similarly, grantees must request **prior** approval of significant departures from approved project plans, including changes in the scope of the project, changes in the project objectives, and changes in the project manager or other key project personnel. Both types of requests must be made on a form provided by the Tennessee State Library and Archives.

Grant Close-Out Procedures

All funds must be expended and/or obligated by the last day of the contract period. Should it not be possible to expend and/or obligate the funds prior to the contract period, the Tennessee State Library and Archives is to be notified **at least 30 days in advance** so that arrangements can be made to return the money to the Tennessee State Library and Archives. The funds can be reprogrammed into other projects if received by the Tennessee State Library and Archives at least two months prior to the end of the contract period. Otherwise reverted funds must be sent back to Washington.

Record Retention Requirements

All financial and programmatic records, supporting documents, statistical records and other records pertinent to an LSTA grant must be retained for a period of five (5) years beginning on the day on which the final financial report is filed. The Comptroller General of the United States, the Tennessee Department of State, or any of their authorized representatives shall have the right of access to any books, documents, papers, or other records of the grantee which are pertinent to the LSTA grant, at all reasonable times during the grant retention period.